

Paul Gray or Lois L. Seeley or Paul F. Crouch or
Phillip A. Crouch or John DeS. Casoria

each of whom is also authorized to draw and accept drafts and execute contracts and other agreements between the bank and the corporation, and to make, collect, discount, negotiate, endorse and assign, in the corporate name, all checks, drafts, notes, and other paper payable to or by this corporation; and all such paper, signed as aforesaid, including checks payable to the order of any one or more of said persons or to bearer shall be honored by the bank and charged to our account. Endorsements for deposit may be made by rubber stamp and shall bind the corporation to the same effect as though signed by the properly authorized officer(s). This authority shall continue in force until notice in writing of its revocations shall have been given to and received by the bank. All transactions aforesaid which have taken place heretofore are hereby confirmed and ratified.

RESOLVED FURTHER, that the persons herein authorized to act with respect to said account are empowered on behalf of this corporation to execute said bank's signature card binding this corporation to the rules and regulations of said bank governing accounts, and to any changes, modifications or additions thereto.

Roseann M. Smathers discussed airtime and production forms and procedures. Stan Hollon explained rules and procedures for encouraging cable operators to carry Trinity programming.

Each station manager shared a brief report regarding their station.

Mr. Quinn shared regarding the Florida station, Channel 45 in Miami. Mr. Quinn feels there is a potential for expanded ministry and production. He is producing "Feed Back" with Bobby Hopkins and Spanish programming. This year possibly two new programs may be produced.

Mr. Jacobson, our new manager of the Harlingen, Texas station, reported that the station office is now located in a temporary trailer. The signal is limited at present, although the entire Rio Grande Valley and several million residents of Mexico will be reached once the station's tower is erected. Plans are underway to broadcast programs over a Mexican cable outlet. The property for the tower site is in escrow. A very high percentage of Spanish programming will have to originate from Harlingen.

Mr. Comstock who is heading up Channel 21 in Arizona, reported that he found matters to be well organized upon Phillip Crouch's departure. Mr. Comstock has given special attention to security arrangements, as he was formerly a private investigator with substantial experience in security problems.

Ms. Laird is now directing Trinity's Richmond station. She reported great cooperation with the employees. A training program is being conducted in their engineering department. It is partially funded by the State of Indiana. She has met with numerous pastors and is aware of 1,400 people being saved. His Hand Extended lacks facilities, but has fed numerous individuals this past year. Food and supplies are provided by local citizens. The staff has engaged in cross-training that enables others to fill in when one is absent.

Paul Grey reported that Channel 20 in Tacoma is generating a great deal of excitement and acceptance. Many people have been saved and many have been healed. Paul feels we are just beginning to scratch the surface. In three or four months we should have 350,000 cable hookups. All hotels, hospitals and nursing homes have been written to suggesting our programming be broadcast.

Mr. Thompson of New York shared that approximately 6,000 people were assisted by His Hand Extended this past year. New York provides significant and special problems. Cam has given special attention to cable operators. He performed an analysis of areas providing substantial support. About 60% came from Orange County (New York) and Dutchess County. New York City provided only 7/10 of 1%.

The local Praise The Lord program has produced exceptional programs. A local Catholic priest produces a weekly program.

The station is in one of the three highest utility areas in the nation. The possibility of reducing power was discussed and it was determined that it would be helpful to investigate the effects of such a reduction.

Allan Brown reported on Oklahoma City. The station has produced many programs. Mr. Brown was quite enthusiastic about the quality of the programming which has increased substantially since Mr. Brown began managing the station.

Mr. Coonce of Tri-State Christian T.V., Inc. reported that Marion, Indiana is being operated at about \$18,000 per month. A telethon is scheduled for March of this year.

Saginaw, Michigan, has been awaiting construction of its antenna.

Other stations are awaiting F.C.C. approval. Mr. Coonce anticipates that four stations may be under construction this year.

The meeting then adjourned.

Dated: January 17, 1985



NORMAN G. JUGGERT, Secretary

P R O X Y

If unable to attend, please sign and return your Proxy to:
TRINITY BROADCASTING NETWORK, INC., P.O. Box C 11949, Santa
Ana, California 92711.

I hereby appoint PAUL F. CROUCH as my proxy at
the Annual Corporate Board Meeting on
January 14, 1985 to vote on my behalf.

Grace Cephas

Date:

12/27/84

P R O X Y

If unable to attend, please sign and return your Proxy to:
TRINITY BROADCASTING NETWORK, INC., P.O. Box C 11949, Santa
Ana, California 92711.

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the Annual Corporate Board Meeting on
January 14, 1985 to vote on my behalf.

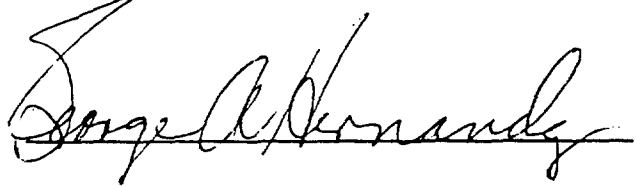
Sharon Wadette

Date: 1/8/85

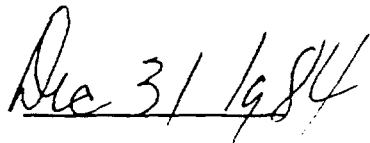
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Ana, California 92711.

I hereby appoint PAUL F. CROUCH as my proxy at
the Annual Corporate Board Meeting on
January 14, 1985 to vote on my behalf.

A handwritten signature in cursive script, appearing to read "George A. Hernandez", written over a horizontal line.

Date:

A handwritten date "Dec 31 1984" written in cursive script over a horizontal line.

1985

APPROVAL OF MANSE ALLOWANCE

TBN

Alsop, Judy
Casoria, John
Castellanos, Connie
Clark, Patricia
Cola, Pat
Crouch, Matthew
Crouch, Paul
Crouch, Philip
Deam, Tom
Destro, Esther
Draper, Fred
Duff, Jane
Fiscus, Bob
Fisher, Shari
Frank, Bernice
Garis, Doris
Groeneweg, Ruby
Hainey, Mark
Halbert, Joan Christ-
Hollison, Lucy
Hollon, Stan
Hopwood, Bob
Howe, Betty Jo
Joslin, Irene
Jones, Jay
Jones, Lee
Julian, Virginia
King, Betty
Mahoney, Geraldine
Mauldin, Carolyn
McClellan, Jim
Mickley, Robin
Pacheco, Linda
Ripley, Paul
Paulson, Larry
Smathers, Roseann
Smith, Jon
Stewart, Alice
Tatum, Cyndy
Vallejo, Danny
Velasco, Emma
Winterhoff, Geneva

TBN AFFILIATES

Brown, Allen (TBOC)
Bethany, Laurie (TBF)
Cephas, Grace (TBNY)
Fancher, Terry (TBOC)
Jacobson, John (CET-HARLINGEN)
Mann, Joanne (TBOC)
Montoya, Fred (TBA)
Quinn, Charles (TBF)
Thompson, Campbell (TBNY)

FOR ORDINATION

The following individuals have all passed the ordination test and have been interviewed. They are submitted for your approval and ordination:

1. Frank Prainito - TBN
2. Danile Ballejo - TBN
3. Susan Ballejo - TBN
4. Robert Hopwood - TBN
5. Peggy Ilharreguy - TBN
6. Connie Castellanos - TBN
7. Timothy Trader - TBN
8. Mark Hainey - TBN
9. Jon Smith - TBN
10. Alice J. Stewart - TBN
11. Brian C. Thorson - TBN
12. Randy Layson - TBN
13. Terry Fancher - TBOC
14. Patricia Poertner - TBOC
15. Campbell Thompson - TBNY
16. Garth Coonce - TSB
17. Carl Brady - TSB
18. Larry Paulson - TSB

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SPECIAL MEETING
OF
BOARD OF DIRECTORS
OF
TRINITY BROADCASTING NETWORK, INC.

A special meeting of the Board of Directors of Trinity Broadcasting Network, Inc. was held on May 28, 1985 at Tustin, California. Those present were Norman G. Juggert and Paul F. Crouch. Mr. Crouch represented himself and director Janice W. Crouch for whom Mr. Crouch holds a proxy. Stan Hollon was present also.

An opportunity to acquire a transponder on Satcom III-R was presented by Mr. Hollon. A change to this transponder would be beneficial to the corporation in that:

1. It would provide an opportunity for six times greater coverage in the United States;
2. It would provide better coverage for the Carribean stations;
3. It would provide stronger coverage for the United States; and
4. There would be no significant increase in our tariff.

It was moved, seconded and passed that the President be authorized to negotiate a purchase of the rights to said transponder at a cost that shall not exceed One Million Six Hundred Thousand Dollars (\$1,600,000.00) plus interest on any installment payments negotiated by the President.

The board then considered a Working Interest Purchase Agreement, requiring the payment of \$50,000.00. Members of the Board had previously discussed the Agreement with David Tyrrell, an executive for a Texas oil exploration firm and Donald Whitaker, owner of several oil wells.

It was then moved, seconded and approved that said sum of \$50,000.00 be paid and that the President be authorized to execute said Agreement.

The board then considered a loan for the purchase of the assets relating to WDFI-TV, Channel 17 of Canton, Ohio by Trinity Broadcasting of Indiana, Inc., conditioned upon F.C.C. approval of the transfer of the license for the station. It was moved, seconded and passed that the President be authorized to guarantee or loan Trinity Broadcasting of Indiana, Inc. up to

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M. Wilson

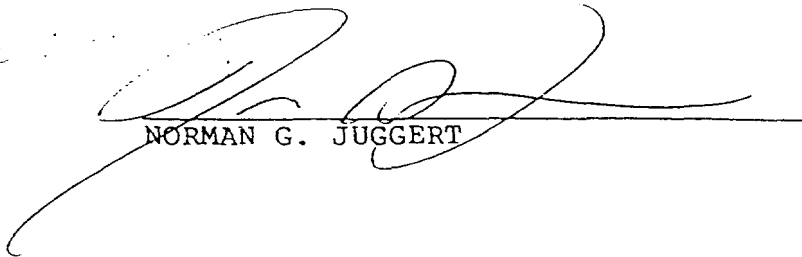
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\$4,000,000.00 for said transaction upon such terms and conditions that he deems in the best interests of the corporation.

The meeting then adjourned.

Dated:

6/3/85


NORMAN G. JUGGERT

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TRINITY BROADCASTING NETWORK, INC. (TBN)

AND SUBSIDIARY AND AFFILIATES

AUDIT REPORT

DECEMBER 31, 1984

HUFFMAN & CO.

CERTIFIED PUBLIC ACCOUNTANTS

029526

Federal Communications Commission

Docket No. 93-75 Sub No. 53

Presented by MMB

Disposition

Received 24 03 1993
Rejected 26 03 1993

Rejected

Reporter C. Wilbur

Date 26 03 1993

DECEMBER 31, 1984

BOARD OF DIRECTORS

Trinity Broadcasting Network, Inc.
(Parent Company)

MEMBERS

TITLE

Paul F. Crouch

President and Director

Janet W. Crouch

Vice President and Director

Norman G. Juggert

Secretary/Treasurer and Director

Phillip A. Crouch

Assistant Secretary

DECEMBER 31, 1984

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Huffman & Co.

Certified Public Accountants

Accountancy Corporation

RICHARD E. HUFFMAN
P.O. BOX 536
170 CAMNER AVE., #202
NORC: CALIFORNIA 91760
(714) 735-9930

The Board of Directors
Trinity Broadcasting Network, Inc.
Irvine, California

We have examined the financial statements of Trinity Broadcasting Network, Inc. and its' Subsidiary and Affiliates for the years ended December 31, 1984 and 1983, listed in the table of contents. Our examination was made in accordance with generally accepted auditing standards and accordingly, included such test of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The audit report on Community Educational Television, Inc. (CET) has been covered by a separate report and is not included in this report. In our opinion, the accompanying financial statements present fairly the financial position of Trinity Broadcasting Network, Inc. and its' Subsidiary and Affiliates at December 31, 1984 and 1983 and the results of their operations and changes in their financial position for the years then ended in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The accompanying supplemental information presented is not necessary for a fair presentation of financial statements, but is presented as additional supplementary data. This information has been subjected to the tests and other auditing procedures applied on the examination of the financial statements mentioned above and in our opinion is fairly stated in all material respects in relation to the financial statements taken as a whole.

6-25-85

Huffman & Co.

029820

COMBINED TRINITY BROADCASTING NETWORK
COMPARATIVE BALANCE SHEET
DECEMBER 31, 1984 AND 1983

ASSETS

1984

1983

Current Assets

Cash In Bank & on Hand

\$ 279,547

\$ 261,583

Time Certificates & Treasury T Bills

5,252,850

6,475,001

Total Cash on Hand & In Banks

5,532,397

6,736,584

Accounts Receivable Less Allowance
for Doubtful Accounts

817,286

866,130

Prepaid Expenses & Security Deposits

216,166

67,805

Total Current Assets

6,565,849

7,670,519

NOTES RECEIVABLE & INVESTMENTS (NOTE #6)

3,262,489

833,260

AMOUNT DUE FROM AFFILIATE - CET

615,963

221,210

PROPERTY AND EQUIPMENT - Less

Accumulated Depreciation (Note #4)

25,904,316

22,977,807

BROADCASTING LICENSES - Less

Accumulated Amortization (Note #5)

10,857,711

10,052,717

Total Assets

\$ 47,206,328

\$ 41,755,510

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Accounts Payable and Accrued Expenses

740,930

665,370

Interest Payable

44,054

86,010

Notes Payable-Current Portion

346,500

1,226,200

Total Current Liabilities

1,131,484

1,977,600

Trust Accounts Payable (Note #8)

561,981

607,530

Notes Payable-Less Current Portion (Note #7)

4,367,071

5,106,850

Total Liabilities

6,060,536

7,691,980

FUND BALANCE

Restricted

2,034,918

1,625,610

Unrestricted

39,110,874

32,437,910

Total Fund Balance

41,145,792

34,063,520

Total Liabilities and Fund Balance

\$ 47,206,328

\$ 41,755,510

"See Accompanying Notes to Financial Statements."

020800

AND SUBSIDIARY AND AFFILIATES
COMBINED TRINITY BROADCASTING NETWORK
COMPARATIVE STATEMENT OF SUPPORT, REVENUE AND EXPENSES AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1984 AND 1983

	<u>1984</u>	<u>1983</u>
<u>PUBLIC SUPPORT AND REVENUE</u>		
Contributions-Restricted & Unrestricted (Note #3)	\$ 21,718,529	\$ 20,500,944
Telecasting & Production-Cost Sharing	2,966,162	2,483,486
Donated Asset Sales	182,556	2,000,000
Interest Income	901,612	501,081
Miscellaneous Income	<u>1,036,146</u>	<u>730,530</u>
Total Public Support & Revenue	<u>26,805,005</u>	<u>26,216,041</u>
<u>EXPENSES</u>		
<u>Program Services</u>		
Broadcasting & Programming	7,183,416	6,580,550
<u>Support Services</u>	11,817,965	10,259,157
<u>Designated Projects (Restricted)</u>	<u>721,357</u>	<u>324,619</u>
Total Expenses	<u>19,722,738</u>	<u>17,164,326</u>
Excess of Public Support and Revenue Over (Under) Expenses	7,082,267	9,051,715
<u>FUND BALANCE, January 1, 1984</u>	<u>34,063,525</u>	<u>25,011,810</u>
<u>FUND BALANCE, December 31, 1984</u>	<u>\$ 41,145,792</u>	<u>\$ 34,063,525</u>

COMBINED TRINITY BROADCASTING NETWORK
COMPARATIVE STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEARS ENDED DECEMBER 31, 1984 AND 1983

	<u>1984</u>	<u>1983</u>
<u>KING CAPITAL (FUND) PROVIDED FROM</u>		
Excess of Public Support and Revenue Over Expenses	\$ 7,082,267	\$ 9,051,715
Added Expenses not Affecting Working Capital:		
Depreciation and Amortization	2,803,003	2,527,861
Loss from Sale of Property and Equipment	<u>-</u>	<u>17,147</u>
Working Capital Provided from Operations	<u>9,885,270</u>	<u>11,596,723</u>
Proceeds From:		
Issuance of Long-Term Notes	-	218,548
Sale of Property and Equipment	-	50,500
Reduction of Notes Receivable	-	364,003
Increase in Trust Accounts Payable	<u>-</u>	<u>41,455</u>
Total Working Capital Provided	<u>9,885,270</u>	<u>12,271,229</u>
<u>WORKING CAPITAL (FUNDS) USED FOR</u>		
Increase in Notes Receivable & Investments	2,429,220	612,862
Increase in Amount Due from CET	394,753	-
Acquisition of Broadcasting License	1,082,686	250,000
Acquisition of Property and Equipment	5,451,382	1,606,307
Reduction of Trust Accounts Payable	45,554	-
Reduction of Long-Term Notes Payable	740,229	1,961,147
Increase in Donated Assets	<u>-</u>	<u>4,300,000</u>
Total Working Capital Used	<u>10,143,824</u>	<u>8,730,316</u>
<u>INCREASE (DECREASE) IN WORKING CAPITAL</u>	<u>\$ (258,554)</u>	<u>\$ 3,540,913</u>

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CHANGES IN WORKING CAPITAL

<u>Increase (Decrease) in Current Assets</u>		
Total Cash on Hand and In Banks	(1,204,187)	3,616,922
Accounts Receivable and Other	<u>99,517</u>	<u>735,087</u>
Total Current Asset Changes	<u>(1,104,670)</u>	<u>4,352,009</u>
<u>Increase (Decrease) In Current Liabilities</u>		
Accounts Payable & Accrued Expenses	75,556	170,926
Other Accrued Liabilities	<u>(921,672)</u>	<u>640,170</u>
Total Current Liabilities Changes	<u>(846,116)</u>	<u>811,096</u>
Increase (Decrease) In Working Capital	<u>\$ (258,554)</u>	<u>\$ 3,540,913</u>

"See Accompanying Notes to Financial Statements."

020831

**TRINITY BROADCASTING NETWORK, INC. (TBN)
AND SUBSIDIARY AND AFFILIATES
COMBINED BALANCE SHEET
DECEMBER 31, 1984**

EXHIBIT 'D'

ASSETS	TRINITY BROADCASTING NETWORK, INC.	TRANSLATOR T.V. INC.	TBN OF ARIZONA INC.	TBN OF FLORIDA INC.	TRINITY TOWERS INC.	TBN OF OKLAHOMA INC.	TBN OF INDIANA, INC.	TBN OF NEW YORK INC.	TBN OF WASHINGTON INC.	TBN OF DENVER INC.	NORTH COUNTY CHRISTIAN CENTER	LESS COMBINING ADJUSTMENTS	COMBINED TBN TOTALS
<u>Current Assets</u>													
Cash In Bank	\$147,000		\$ 7,446	\$ 6,410	\$ 30,739	\$ 11,100	\$ 16,992	\$ 5,847	\$ 19,767	\$ 10,275	\$ 6,650		\$ 262,226
Petty Cash Funds	900		3,550	3,500	450	3,500	1,450	2,500	1,471	-	-		17,321
Time Certificates & Treasury T Bills	<u>1,145,217</u>		<u>899,926</u>	<u>500,000</u>	<u>107,156</u>	<u>700,000</u>	<u>800,001</u>	<u>300,000</u>	<u>400,000</u>	<u>400,000</u>	-		<u>5,252,850</u>
Total Cash on Hand & In Bank	1,293,617		910,972	509,910	138,345	714,600	818,443	308,347	421,238	410,275	6,650		5,532,397
Accounts Receivable, Less Allowance													
for Doubtful Accounts	214,145		104,943	137,350	-	80,847	70,160	131,289	35,738	42,814	-		817,286
Prepaid Expenses & Security Deposits	<u>215,006</u>		-	-	<u>160</u>	<u>1,000</u>	-	-	-	-	-		<u>216,166</u>
Total Current Assets	1,722,768		1,015,915	647,260	138,505	796,447	888,603	439,636	456,976	453,089	6,650		6,565,849
NOTES RECEIVABLE & INVESTMENTS	3,262,489		-	-	-	-	-	-	-	-	-		3,262,489
AMOUNTS DUE FROM AFFILIATES	<u>20,201,616</u>		<u>5,817,968</u>	<u>1,379</u>	-	<u>2,200</u>	<u>1,400</u>	-	-	<u>1,045,186</u>	<u>5,101</u>	<u>\$(26,458,887)</u>	<u>615,963</u>
PROPERTY & EQUIPMENT - Less Accumulated Depreciation	10,087,370	\$202,495	1,072,022	3,290,072	1,720,711	1,691,178	1,318,115	2,599,750	1,630,980	31,356	2,260,267		25,904,316
BROADCASTING LICENSES - Less Accumulated Amortization	<u>572,905</u>	-	<u>1,137,445</u>	<u>5,071,360</u>	-	-	-	<u>2,241,400</u>	<u>1,034,521</u>	-	-		<u>10,052,711</u>
Total Assets	<u>\$35,847,220</u>	<u>\$202,495</u>	<u>\$9,043,350</u>	<u>\$9,810,071</u>	<u>\$1,859,216</u>	<u>\$2,489,825</u>	<u>\$2,208,118</u>	<u>\$5,280,786</u>	<u>\$3,122,477</u>	<u>\$1,529,631</u>	<u>\$2,272,018</u>	<u>\$(26,458,887)</u>	<u>\$47,206,320</u>
<u>LIABILITIES AND FUND BALANCE</u>													
<u>Current Liabilities</u>													
Accounts Payable	431,804		13,188	18,974	4,188	11,934	9,667	61,678	7,142	1,697	-	(5)	560,267
Accrued Payables	116,100		12,804	13,135	2,565	10,710	8,593	9,553	7,203	-	-		180,663
Interest Payable	44,054		-	-	-	-	-	-	-	-	-		44,054
Notes Payable-Current Portion	-		<u>186,000</u>	<u>100,000</u>	<u>12,500</u>	-	-	-	-	-	<u>48,000</u>		<u>346,500</u>
Total Current Liabilities	591,958		211,992	132,109	19,253	22,644	18,260	71,231	14,345	1,697	48,000	(5)	1,131,484
Trust Accounts Payable	561,981		-	-	-	-	-	-	-	-	-		561,981
Notes Payable-Long Current Portion	-		937,644	1,823,135	1,500,000	-	-	-	-	-	106,292		4,367,071
Amount Due Affiliates	<u>5,567,626</u>	<u>479,598</u>	<u>2,800</u>	<u>8,216,409</u>	<u>222,500</u>	<u>521,374</u>	<u>1,021,304</u>	<u>7,086,206</u>	<u>3,100,965</u>	<u>37</u>	<u>240,063</u>	<u>\$(26,458,887)</u>	-
Total Liabilities	<u>6,721,565</u>	<u>479,598</u>	<u>1,152,436</u>	<u>10,171,653</u>	<u>1,741,753</u>	<u>544,018</u>	<u>1,039,564</u>	<u>7,157,437</u>	<u>3,115,310</u>	<u>1,734</u>	<u>394,355</u>	<u>\$(26,458,887)</u>	<u>6,060,536</u>
<u>FUND BALANCE</u>													
Restricted	1,237,686	-	474,209	170,388	-	93,396	57,923	1,316	-	-	-		2,034,918
Unrestricted	<u>22,887,977</u>	<u>(277,103)</u>	<u>7,416,705</u>	<u>(531,970)</u>	<u>117,463</u>	<u>1,852,411</u>	<u>1,110,631</u>	<u>(1,872,967)</u>	<u>2,167</u>	<u>1,527,897</u>	<u>1,877,663</u>		<u>39,110,874</u>
Total Fund Balance	<u>29,125,663</u>	<u>(277,103)</u>	<u>7,890,914</u>	<u>(361,582)</u>	<u>117,463</u>	<u>1,945,807</u>	<u>1,168,554</u>	<u>(1,876,651)</u>	<u>2,167</u>	<u>1,527,897</u>	<u>1,877,663</u>		<u>41,145,792</u>
Total Liabilities and Fund Balance	<u>\$35,847,220</u>	<u>\$202,495</u>	<u>\$9,043,350</u>	<u>\$9,810,071</u>	<u>\$1,859,216</u>	<u>\$2,489,825</u>	<u>\$2,208,118</u>	<u>\$5,280,786</u>	<u>\$3,122,477</u>	<u>\$1,529,631</u>	<u>\$2,272,018</u>	<u>\$(26,458,887)</u>	<u>\$47,206,320</u>

"See Accompanying Notes to Financial Statements."

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TRINITY BROADCASTING NETWORK, INC. (TBN)
AND SUBSIDIARY AND AFFILIATES
COMBINED STATEMENT OF SUPPORT, REVENUE AND EXPENSES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 1984

EXHIBIT 'E'

	TRINITY BROADCASTING NETWORK, INC.	TRANSLATOR T.V., INC.	TBN OF ARIZONA, INC.	TBN OF FLORIDA, INC.	TRINITY TOWERS INC.	TBN OF OKLAHOMA, INC.	TBN OF INDIANA, INC.	TBN OF NEW YORK, INC.	TBN OF WASHINGTON INC.	TBN OF DENVER, INC.	NORTH COUNTY CHRISTIAN CENTER INC.	COMBINED TBN TOTALS
PUBLIC SUPPORT AND REVENUE												
Contributions-Restricted & Unrestricted	\$12,743,575		\$2,455,771	\$1,533,203		\$1,791,297	\$1,260,398	\$455,108	\$579,341	\$862,487	\$37,349	\$21,718,529
Telecasting & Production-Cost Sharing	1,105,197		390,470	475,730		318,443	208,875	329,570	18,549	119,328	-	2,966,162
Donated Asset Sales	40,306		-	142,250		-	-	-	-	-	-	182,556
Interest Income	305,664		79,350	35,363	\$ 8,836	46,119	50,794	43,941	206,261	44,541	735	901,612
Miscellaneous Income	574,405		1,259	14,425	392,094	2,840	1,043	12,052	1,000	4	32,011	1,036,146
Total Public Support & Revenue	14,049,147		2,926,850	2,200,971	400,930	2,158,707	1,521,110	845,676	805,151	1,026,360	70,095	26,005,005
EXPENSES												
Production Expenses	667,331		89,594	80,745		246,219	59,084	44,521	-	-	-	1,187,494
Engineering Expenses	1,605,644		151,241	179,902		122,588	131,227	311,767	-	-	-	2,502,369
Programming Expenses	1,432,099		293,873	301,641		310,289	149,171	164,525	667,955	169,000	-	3,493,553
Total Program Services	3,710,074		534,708	562,288		679,096	339,482	520,813	667,955	169,000	-	7,183,416
SUPPORT SERVICES												
General & Administrative Expenses	5,587,619	\$ 70,250	676,749	1,446,008	322,864	710,099	641,304	938,392	84,814	75,733	110,276	10,664,108
Direct Mail Expenses	1,077,465	-	29,256	-	-	23,651	23,485	-	-	-	-	1,153,857
Total Support Services	6,665,084	70,250	706,005	1,446,008	322,864	733,750	664,789	938,392	84,814	75,733	110,276	11,817,965
DESIGNATED PROJECTS (RESTRICTED)	639,134		33,746	22,293		13,916	9,015	3,253	-	-	-	721,357
Total Expenses	11,014,292	70,250	1,274,459	2,030,589	322,864	1,426,762	1,013,286	1,462,458	752,769	244,733	110,276	19,722,738
Excess of Public Support and Revenue Over (Under) Expenses	3,834,855	(70,250)	1,652,399	170,382	78,066	731,945	507,824	(616,782)	52,382	781,627	(40,181)	7,082,267
FUND BALANCE, January 1, 1984	25,290,800	(206,853)	6,238,515	(531,964)	39,397	1,213,062	660,730	(1,259,869)	(45,215)	746,270	1,917,844	34,063,525
FUND BALANCE, December 31, 1984	\$29,125,663	\$(277,103)	\$7,890,914	\$(361,582)	\$117,463	\$1,945,807	\$1,168,554	\$(1,876,651)	\$7,167	\$1,527,897	\$1,877,663	\$41,145,792

"See Accompanying Notes to Financial Statements."

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AND SUBSIDIARY AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - As in past years, the Trinity Broadcasting Network, nc. records financial transactions in accordance with Modified Non-Profit Fund Accounting Standards. This basis of Accounting generally requires the utilization of the modified accrual basis of accounting, wherein expenditures are recorded at the time liabilities are incurred and available revenues which are accrued to reflect properly the revenues earned within the current year.

PRODUCTION AND AIRTIME SALES

Revenue from production sales is recognized when the production effort has been completed while revenue from airtime sales is recognized when the contracted program has been broadcast.

INVESTMENTS

Donated investments are stated at estimated fair market values at the dates of donation, which approximates current market value.

INVENTORIES - SUPPLIES AND DONATED ASSETS

Generally inventories are stated at cost. Inventory consist of supplies and donated assets. Supplies and donated assets were estimated to have a value of \$77,000 on December 31, 1984.

INCOME TAXES

Trinity Towers is the only entity subject to Federal and State income taxation. TBN & Subsidiaries have received notices of exemption from Federal and State Income Taxes as a non profit and charitable entities.

2. ORGANIZATION

TBN and its' Subsidiary and Affiliates have organized for the purpose of engaging in religious christian broadcasting activities. Following is a list of TBN and its' Subsidiary and Affiliates.

A.) TBN & Subsidiaries & Direct Affiliates

TBN & Subsidiaries

- *TBN, Inc. (Parent Company) (KTBN Channel 40 TV)
- TBN-Stewardship Department (Trust Accounts)
- TBN- of Nevis, L.T.D.

Direct Affiliates

- Translator T.V., Inc. (Designed to Build Translators)
- North County Christian Center, Inc.

B.) OTHER SUBSIDIARIES

- *TBN of Arizona, Inc. - KPAZ - Channel 21 TV
- TBN of Denver, Inc.
- **TBN of Washington, Inc. - KTBW - TV Channel 20

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*TBN of Indiana, Inc. - WKOI - TV Channel 43

*TBN of Oklahoma, Inc. - KTBO Channel 14

*TBN of New York, Inc. - Channel 54

*TBN of Florida, Inc. - WHFT Channel 45

Trinity Towers, Inc.

*Stations with Broadcasting Licenses

**New Broadcasting Licenses

3. PUBLIC SUPPORT - CONTRIBUTIONS - RESTRICTED & UNRESTRICTED

Contributions are recognized when cash or other assets are received. Donated assets are generally reflected in the accompanying combined financial statements at their estimated fair market values at the date of receipt. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Although there is no legal requirement to do so, such restrictions are viewed by management as moral commitments to expend such contributions as designated by the donors.

The excess of Restricted Contributions over Designated Expenses are reflected in the Fund Balance as Restricted Funds.

4. PROPERTY AND EQUIPMENT

Property and equipment are carried at cost. Donated assets are generally reflected at their estimated fair market values at the dates of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized as income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterments are capitalized.

	1983		1984	ESTIMATED
	<u>1-1-84</u>	<u>ADDITIONS</u>	<u>12-31-84</u>	<u>USEFUL LIVES</u>
Land & Land Improvements	\$4,300,357	\$279,195	\$4,579,552	
Building & Leasehold Improvements	8,737,819	438,624	9,176,443	10-45 Years
Electronic & Technical Equipment	17,061,851	4,458,574	21,520,425	3-8 Years
Furniture and Fixtures	603,053	55,899	658,952	10 Years
Studio Sets	266,424	108,065	374,489	8 Years
Mobile Homes	48,000		48,000	10 Years
Construction in Progress	-	111,025	111,025	
Total Property & Equipment	<u>\$31,017,504</u>	<u>\$5,451,382</u>	<u>\$36,468,886</u>	
LESS:				
Accumulated Depreciation	8,039,253			
Current Depreciation	-	2,525,317	10,564,570	
Total Accumulated Depreciation	<u>8,039,253</u>	<u>\$2,525,317</u>	<u>10,564,570</u>	
Property & Equipment - Less Accumulated Depreciation				
Net Balance Per Exhibits	<u>\$ 22,977,801</u>		<u>\$25,904,316</u>	